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SENSITIVE

TREASURY FOR OFFICE OF AFRICAN NATIONS
TREASURY FOR USED IMF AND USED WORLD BANK
COMMERCE FOR SALIHA LOUCIF

E.O. 12598: N/A

TAGS: [ECON](#) [EFIN](#) [PGOV](#) [ELAB](#) [ASEC](#) [GV](#)

SUBJECT: BUSINESS UNRUFFLED BY STRIKE THREAT - CONTE CRONY STILL IN HOT WATER

REF: CONAKRY 1203

11. (SBU) SUMMARY. Local businesses are confident that a negotiated settlement to the labor union strike threat will be accomplished tonight. Meanwhile, a Conte crony is not yet out of legal trouble. END SUMMARY.

12. (SBU) On January 9, Econoff met with members of the Conseil National du Patronat Guineen (Patronat), the organization of employers in Guinea. The Secretary General, Elhadj Abdoulaye Dima Dabo, and Vice President Mr. Kahlil Abou Kahli were eager to discuss the union strike threat as well as the status of the case against corruption poster boy, Mamadou Sylla.

BUSINESS VIEW OF STRIKE: HO HUM

13. (SBU) Elhadj Dabo said that the Patronat is working with all the other concerned parties to find a non-violent solution to the current controversy. He relayed that they had met until late Tuesday night trying to negotiate a solution. Mr. Kahli was confident that an agreement will be reached and the strike averted tonight.

14. (SBU) Both Patronat members said that the unions had made a mistake in calling for a strike. They said that this was a political issue, not a labor issue. Mr. Kahli recommended that the unions stick to labor issues and not jeopardize their standing with the people by taking sides in political squabbles.

OTHER BUSINESS VIEWPOINTS

15. (SBU) On January 8, Econoff met with Ibrahima Sow, Director of the Societe de Commerce et de Financement. His company is one of the largest rice importers, and is the supplier for the army. Mr. Sow was frank; he saw no reason for the strike, and did not feel that the public was supporting the strike. No one has been able to explain to him why the labor unions should strike over the replacement of a communications minister. He was also concerned that any violence could jeopardize the recently signed IMF program. The Director also said that once a strike starts, business are hurt, which in turn hurts all of Guinea.

16. (SBU) Mr. Sow mentioned that he has sufficient rice stocks to feed the army, and he has a ship anchored offshore (w/30,000 tons) waiting to offload more rice once the strike threat is over. However, he noted that rice is scarce on the world market, which means the price is going up. He was pessimistic as to any negative

impact this price increase might have here in Guinea.

¶17. (SBU) Similarly, Lebanese stores plan to open tomorrow, although they have qualified their statement by saying that they will decide for sure after decisions are made later this evening.

SYLLA STILL NOT OFF THE HOOK

¶18. (SBU) Self-proclaimed richest man in Guinea, Elhadj Mamadou Sylla, (REFTEL) was overheard this week exclaiming that the legal case against him was over. (NOTE: Sylla was arrested for embezzlement from the Central Bank in late 2006. END NOTE.)

¶19. (SBU) Elhadj Dabo speculated that someone may have been paid off in order to get the case dropped, since Sylla did not even appear in court. However, Dabo revealed that the Central Bank has appealed the ruling, thereby suspending the dismissal pending the appeal. So for the time being, Elhadj is not quite off the hook.

¶10. (SBU) COMMENT. While many sectors of the population seem uncertain as to what may happen with respect to the strike, the business community appears relatively confident that there is nothing to worry about. END COMMENT.

CARTER